

Agreement No. _____

APPENDIX IV INSURANCE REQUIREMENTS (ARKANSAS)

This Appendix IV is an integral part of the Master Agreement for Access to Poles, Ducts, Conduits, and Rights-of-Way to which it is attached.

1) Premises. As used in this Appendix, the term “premises” refers to any site located on, within, or in the vicinity of SWBT’s poles, ducts, conduits, or rights-of-way and any location where Applicant or any person acting on Applicant’s behalf may be physically present while traveling to or departing from any such site.

2) Requirements Applicable to Applicant and All Persons and Entities Acting on Applicant’s Behalf. Applicant shall maintain, at all times during the term of the Master Agreement, all insurance and coverages set forth below. Such insurance and coverages shall not only cover Applicant but all contractors, subcontractors, and other persons or entities acting on Applicant’s behalf at the premises described in 1) above. Applicant should require that all contractors, subcontractors, and other persons or entities acting on Applicant’s behalf at premises described in 1) above obtain the same insurance and coverages.

3) Workers’ Compensation Insurance. Applicant shall maintain, at all times during the term of the Master Agreement, Workers’ Compensation Insurance and Employer’s Liability Insurance with minimum limits of \$100,000 for bodily injury-each accident, \$100,000 for bodily injury by disease-each employee, and \$500,000 for bodily injury by disease-policy limits, for all employees performing work or otherwise present on the premises described in 1) above. Such insurance must comply with the Workers’ Compensation laws of this State and shall provide coverage, at a minimum, for all benefits required by such Worker’s Compensation laws. Applicant shall require any contractor, subcontractor, or other person or entity acting on Applicant’s behalf to provide Workers’ Compensation Insurance and Employer’s Liability Insurance for their respective employees unless such employees are covered by the protection afforded by Applicant.

4) General Liability Insurance. To protect SWBT and any joint user from any liability for bodily injury or property damage, Applicant shall maintain, at all times during the term of the Master Agreement, General Liability insurance satisfactory to SWBT. SWBT shall be added as an additional insured in the standard policy or an endorsement thereto. Applicant shall also require any contractor, subcontractor, or other person or entity acting on Applicant’s behalf to provide General Liability coverage with the same limits and with SWBT added as an additional insured unless such contractor, subcontractor, or other person or entity is covered by the General Liability protection afforded by Applicant.

a) The following coverages must be included in (and may not be excluded from) the policy or policies obtained to satisfy the General Liability insurance requirements of Applicant and any contractor, subcontractor, or other person or entity acting on Applicant's behalf. The coverages may be provided by the standard policy or endorsements thereto. Exclusion endorsements deleting these coverages will not be accepted.

- 1) Personal Injury and Advertising Injury coverage.
- 2) Premises/Operations coverage, including also coverage for any newly acquired ownership or controlled premises or operations.
- 3) Independent Contractors coverage to provide protection for Applicant's contractors, subcontractors, and other persons or entities acting on Applicant's behalf.
- 4) Explosion, Collapse, and Underground Hazard (XCU) coverage.
- 5) Completed Operations coverage providing for bodily injury and property damage liabilities which may occur once the operations have been completed or abandoned.
- 6) Contractual Liability coverage to provide financial responsibility for the Applicant to meet its indemnification obligations.
- 7) Broad Form Property Damage (BFPD) coverage for damage to property in the care or custody of Applicant and damage to work performed by or on behalf of the Applicant.

b) Minimum policy limits shall be as follows:

General Aggregate Limit: \$1,000,000.

Sublimit for all bodily injury, property damages, or medical expenses incurred in any one occurrence: \$1,000,000.

Sublimit for personal injury and advertising: \$1,000,000.

Products/Operations Aggregate Limit: \$1,000,000.

Each occurrence sublimit for Products/Operations: \$1,000,000.

- c) No coverage shall be deleted from the standard policy without notification of individual exclusions being attached for review and acceptance.
- d) Policy language or endorsements adding SWBT as an additional insured shall not include exclusions or exceptions which defeat the purpose of protecting SWBT from any liability for bodily injury or property damage arising out of Applicant's operations.

5) Automobile Liability insurance. The parties contemplate that Applicant and personnel acting on Applicant's behalf will utilize automobiles, trucks, and other motor vehicles on public and private property, including public rights of way, in the vicinity of SWBT's poles, ducts, conduits, and rights-of-way. Accordingly, Applicant shall maintain, at all times during the term of the Master Agreement, Automobile Liability insurance with minimum limits of \$1,000,000 combined single limits per occurrence for bodily injury and property damage which may arise out of the operation or use of motor vehicles of any type. Coverage shall extend to "any auto" -- that is, coverage shall be extended to all owned, non-owned, and hired vehicles used by Applicant or by any person or entity acting on Applicant's behalf in connection with any work performed, or to be performed, on, within, or in the vicinity of SWBT's poles, ducts, conduits, or rights-of-way.

6) Layering of General Liability and Automobile Liability coverages. Applicant's insurance may be written via a primary policy with either an excess or umbrella form over the primary policy. If coverage is written in this manner, the total of the combined policy limits must meet or exceed the minimum limits specified in the Master Agreement.

7) Deductibles. No deductibles shall be allowed without the express written consent of SWBT.

8) Claims Made Policies. Claims Made Policies will not be accepted.

9) Proof of Insurance. Certificates of Insurance stating the types of insurance and policy limits provided the insured, or other proof of insurance satisfactory to SWBT, must be received by SWBT prior to the issuance of any licenses pursuant to the Master Agreement and before Applicant or any person acting on Applicant's behalf performs any work on the premises described in 1) above.

- a) Certificates of Insurance using the insurance industry standard ACORD form are preferred.
- b) Certificates provided with respect to General Liability policies and certificates provided with respect to Automobile Liability policies shall indicate SWBT as an Additional Insured.

- c) Deductibles, if permitted, shall be listed on the Certificate of Insurance.
- d) The cancellation clause on the certificate of insurance shall be amended to read as follows:

“SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED OR MATERIALLY CHANGED BEFORE THE EXPIRATION DATE, THE ISSUING COMPANY WILL MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT.”

A certificate which does not include the phrase “or materially changed” does not meet SWBT’s requirements. A certificate reciting that the issuing company will “endeavor to” mail 30 days written notice to the certificate holder does not meet SWBT’s requirements. The language “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents, or representatives” or similar language must be deleted from the certificate.

- e) The certificate holder shall be:

Southwestern Bell Telephone Company
1111 W. Capitol, Room 525
Little Rock, Arkansas 72201
ATTENTION: Utility Liaison Supervisor

- f) Failure to object to any coverage described in a certificate shall not constitute written permission from SWBT to any variance from or alteration of any requirement set forth in this Appendix and shall not be construed as a waiver by SWBT of any rights under the Master Agreement.

10) Rating of Insurers. SWBT requires that companies affording insurance coverage have a B+VII or better rating, as rated in the current A.M. Best Key Rating Guide for Property and Casualty Insurance Companies.

11) Self-insurance. If authorized in the Master Agreement, self-insurance shall be allowed in lieu of the above requirements upon Applicant’s submission of proof that it has met the self-insurance requirements stated in the Master Agreement.